

## **Oxnard Listening Session**

Monday, July 7 from 12 p.m. - 3 p.m.

### **Comments from Lisa Brenneis:**

Thanks for inviting me to address you today. My name is Lisa Brenneis. My husband and I operate Churchill Orchard, a small organic tangerine and avocado orchard up in the Ojai Valley - that's 20 miles northeast from here. I'm also a writer and a filmmaker.

You've asked us to frame our remarks around a vision for California agriculture in 2030.

I'm going to concentrate on a specific vision: a rejuvenated regional distribution system for California's agricultural products that supports growers, wholesalers, retailers and customers of all sizes by recognizing that a vibrant food system requires opportunities and efficiencies at many different scales.

Since we picked our first saleable crop of Pixie tangerines back in 1988, our primary challenge as small growers has been finding right sized customers for our produce. With the early support of a single extraordinary store up in the Bay Area, our business has grown from 80 original Pixie tangerine trees to over 30 Pixie growers in the Ojai Valley producing and selling over a million pounds of Pixies a year. We were fortunate every step of the way, but the people and organizations that supported our growth are under constant pressure.

Conventional wisdom holds that large scale agriculture selling directly to large scale chains is the most efficient way to grow and sell food, but I believe that's a very narrow definition of efficiency, especially here in California.

Monterey Market purchased and sold our entire crop of Pixie tangerines for six years. Pixie was an excellent but unknown variety. Even if there had been an established market, we didn't have enough fruit to supply even a small independent chain. Monterey Market is an extraordinary startup incubator for innovative agriculture. Their sourcing and retailing skill attracts a large group of educated adventurous shoppers who adopted our fruit, and made it possible for us to take the next step.

Still too small to supply a grocery chain, we connected with Melissa's World Variety, energetic wholesalers who have developed a national business by serving as a bridge between smaller specialty growers and mid-size to large grocery chains. Melissa's liked the Pixie and took us on with an eye to the future. They have partnered with us to bring the Pixie to a wider audience. My experiences with Melissa's exposed me to the tremendous effort it takes to meet the logistical demands of modern grocery chains. The special re-packaging required if a produce item is not awarded its own unique PLU is just one example of the extra effort required to bring a specialty item into a large store system. There are many other examples, but I have 5 minutes.

The current mainstream system - mega grocery chains contracting directly with mega growers - has undercut the health of terminal markets throughout the state. That these terminal markets survive at all is a tribute to the energy and resourcefulness of the brokers who survive. These

brokers and wholesale markets are critical for many mid-size growers who aren't big enough (or cannot afford to) sell to large chains. Terminal markets are also a critical supply source for independent grocery stores.

One trend I've seen increasing at terminal markets is the presence of quantities of "overstock" - quality fresh produce that growers send to the terminals because their direct grocery contract customers will not absorb any produce over a predetermined amount. When growers have a good year, they're often stuck unloading high-quality seasonal produce at fire-sale prices. Terminal markets can move this overstock, independent grocers can take advantage of attractively priced product and (hopefully) pass the savings on to their customers. That's a kind of efficiency I can wholeheartedly endorse. With the cost of living and farming so high in California, I believe the state cannot afford to neglect this flexible system of open terminal wholesale markets that allow our large population to benefit from its close proximity to California's bounty and allow independents and small chains to compete more effectively, bolstering opportunities and efficiencies at many different scales.

The state should invest in building and maintaining public wholesale markets in population centers throughout the state. Growers would have more possible venues to wholesale their products. More public wholesale markets would make it easier for independent markets and other commercial customers to source perishables, connecting growers to customers at the regional level.